



II UZBEK-INDONESIAN JOINT INTERNATIONAL CONFERENCE

**Economics And Management Towards
Nation Character Development**



SEPTEMBER 2012

**RUSSIAN ECONOMIC UNIVERSITY after G.V. PLEKHANOV
BRANCH in TASHKENT, UZBEKISTAN**

GUNADARMA UNIVERSITY, INDONESIA

II UZBEK-INDONESIAN JOINT INTERNATIONAL CONFERENCE

**Economics and Management Towards Nation
Character Development**

September 2012

- *Economic science, education and formation of human capital*
- *Social policy and labor market*
- *World economy and development of national economic system*
- *Financial system and financial and credit institutes*

Tashkent - Jakarta, 2012

Edited by: prof. Dr. E.S. Margianti, S.E. MM, Rector of Gunadarma University

prof. Dr. Kalandar Abdurakhmanov – director of Branch of Federal State Budget Educational Establishment of Higher Professional Education “Russian Economic University after G.V. Plekhanov” in Tashkent

**“II Uzbek-Indonesian Joint International Conference”
Economics and Management Towards
Nation Character Development
Tashkent-Jakarta, 2012**

EDITORIAL BOARD

Patrons prof. Dr. Kalandar Kh. Abdurakhmanov,
prof. Dr. E.S. Margianti

Advisors prof. Nodira Zokirova, prof. Abbas Shermukhamedov

**Scientific
Committee** prof. Didin Mukodim
prof. Galina Juravlyova, prof. Dilfuza Rakhimova

Editors Dr. Misdiyono, Dr. Ichwan Suyudi
G. Abirova, F. Sidikova, M. Mamaeva

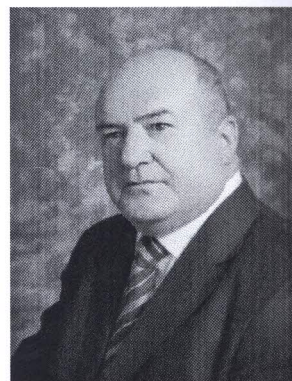
Publisher Branch of Federal State Budget Educational Establishment of Higher
Professional Education "Russian Economic University
after G.V. Plekhanov" in Tashkent (Uzbekistan)
Gunadarma University (Indonesia)

FOREWORD

Dear participants of international conference!

On behalf of staff and students of the branch of Russian economic university after G.V. Plekhanov in Tashkent allow me to greet all the participants of the international conference and express gratitude to the rector of Gunadarma University professor E. Margianti for participation in this event.

Representatives of Indonesia have been to the Branch many times. A large-scale "Uzbekistan-Indonesia" culture forum was organized and held at our university. Regular meetings with students of our university is an indicator of importance of such events in deepening and developing bilateral cooperation between Uzbekistan and Indonesia in various areas, in particular in education sphere. These aspects were the basic theme of negotiations with the Branch authorities during the visit of Ambassador of Indonesia in Uzbekistan. During his visit Extraordinary and Plenipotentiary Ambassador of Indonesia in Uzbekistan Mr. Mohamad Asruchin made a report on the issues of economy development of Indonesia for the students of the Branch. It is very important for the university to expand outlook of our students. Meetings of such level, certainly, help to learn more about the country, its culture and history, and especially national economy. During the meeting students of Branch asked the Ambassador of Indonesia a lot of different questions on education system, opportunity of training in universities of the country, organization of joint seminars, symposiums and discussions of projects and programs representing mutual interest and student's exchange programs as well.



The delegation of Gunadarma University headed by the rector of university prof. E. Margianti visited the Branch several times. Gunadarma University specializes in the sphere of information technologies. There are 1300 teachers in the University. The university has partner programs with universities of the USA, France, England and etc. University consists of twelve departments in the capital city Djakarta and it takes the fifth place according to the rating in Indonesia. Gunadarma University was founded in 1981 and successfully functions in the sphere of education and scientific and research works. During the meetings there also signed Cooperation agreement between Gunadarma University and the Branch of REU after G.V. Plekhanov in Tashkent.

The given agreement provides bilateral cooperation between two universities in sphere of carrying out the research works which represent a mutual interest, short-term exchange of teachers and scientists for implementing scientific researches, consultations promoting scientific personnel education, organization of joint seminars, symposiums and discussions of projects and programs representing a mutual interest and students' exchange as well.

Within the limits of the given agreement the delegation of the Branch of Russian economic university after G.V. Plekhanov in Tashkent visited Indonesia in October, 2011 and took part in the work of Uzbek-Indonesian joint international conference organized by Gunadarma University. Extraordinary and Plenipotentiary Ambassador of Uzbekistan in Indonesia in Uzbekistan Mr. Shavkat Djamalov took part and made a report at the conference.

While visiting Indonesia we admire this country and its hospitable people every time. Gunadarma University and its staff impressed us greatly; it is a great honor for us to be partners of one of the largest and well-known universities of Indonesia.

In 2012 Russian economic university celebrated its 105 anniversary from the date of its foundation. During its activity the University trained more 150 thousand highly qualified specialists, about 2300 specialists are from Tashkent Branch in the

Tashkent Branch. They work successfully in Russia, Uzbekistan and in the countries of the near and far abroad. Achieving high results in various spheres of activities, the graduates of the University rank the leading positions in politics and economy, business and science, continue renowned teaching traditions at the universities of Russia and abroad. We do our best for our students to do well in studying.

At the University training is conducted on 22 educational programs of higher professional education, three sets of programs of additional professional education. We have made contracts on students' exchange and cooperation on programs of double and triple diploma with the higher educational institutions of 17 countries of the far and near abroad. High level of education in our University is known far of Russia boundaries. For more than 105 years of its existence REU after G.V. Plekhanov has always been famous for its teaching staff. For the period of its functioning the Branch in Tashkent has steadily ranked the place on the market of educational services of the Republic of Uzbekistan. Hundreds of applicants annually compete for the right to study in our Branch.

On September, 21-22 In the Branch of Russian economic university after G.V. Plekhanov in Tashkent there conducted II Uzbek-Indonesian joint international conference Economics and Management Towards Nation Character Development jointly with Gunadarma University and with the support of Embassy of Indonesia in Uzbekistan. The collection of theses of participants' reports has been published on the basis of researches materials of leading and young scientists, who have perspective views on innovative development of national economy at the beginning of the conference. Conference, its total documents and recommendations become a practical basis of consolidation of our universities with the purpose of development of higher education.

I wish all the participants fruitful and constructive work.

*Director of the Branch of "Russian Economic university after G.V. Plekhanov" in Tashkent,
Doctor of economic sciences, professor Kalandar Abdurakhmanov*

FOREWORD

First of all, I am honourer and pleased to present my foreword for the Proceedings of **"II Uzbek-Indonesian Joint International Conference on Economics and Management Towards Nation Character Development"**.

This conference was obviously became the culmination of the vision, dedication and the cooperation of Gunadarma University, Jakarta, Indonesia and Branch of Russian Economic University after G.V.Plekhanov in Tashkent, Uzbekistan. The conference is planned to be held alternately in Indonesia and Uzbekistan in the time series. The first conference of October 18-19, 2011 has been organized in Jakarta, Indonesia is the first event in this plan series.

"II Uzbek-Indonesian Joint International Conference on Economics and Management Towards Nation Character Development" that will be held in Branch of Russian Economic University after G.V.Plekhanov in Tashkent, Uzbekistan on September 21-22, 2012 as the next steps of the collaboration and cooperation as well others occasion in the future, I bilief will bring us to be closer in some aspects.

In the first conference has been presented 38 papers which cover a broad spectrum topics of economics and management towards nation character development. These papers captured the spirit of the Conference and reflect its major focus and objectives. The articles provide an overview of critical research issues reflecting on past achievements and future challenges, while for the second conference, Gunadarma University will send a fullteam delegation of Economic Faculty included Rector, and Vice Rector IV of Collaboration and Cooperation , Dean of Economic Faculty, Head of Department and Center as well Head of Departments and senior researchers from Diponegoro University, Semarang to convey the research articles and paper covering many aspects of insightful, inspirational messages, scholarly analysis of critical policy, programs issues of economics and management as well as experienced-based notes for practice. I bilief that can provided a significant contribution to the development of knowledge in this interested area.

In this special occassion, I'd like to take this opportunity to expressed my gratitudes and thanks to all people who made this first conference the success as it was. Firstly, allowed me to give my special appreciation and gratitude to leaders of Branch of Russian Economic University after G.V.Plekhanov in Tashkent, Uzbekistan in their trust to Gunadarma University in building cooperation for mutual benefit. I took this opportunity to make a ballance situation of inviting Rector of Branch of Russian Economic University after G.V.Plekhanov in Tashkent, Uzbekistan, Prof Dr Abdurakhmanov K. Kh to become Honorary Profesor in Gunadarma University, Jakarta, Indonesia as well I was in Branch of Russian Economic University after G.V.Plekhanov in Tashkent

I encourage the continuation and development of cooperation programs and services which serve to strengthen economics and management in both countries and the relationships between Branch of Russian Economic University after G.V.Plekhanov in Tashkent, Uzbekistan and Gunadarma University. Jakarta, Indonesia .

In this occassion, please allowed me also to express my apreciation and gratitude to all of the organizing team including scientific committee, program chairs, session chairs, and others, for their commitment, effort and dedication in undertaking their own task to bring the success of this conference.

Finally, I owe our gratitude to all the conference participants for their contributions to the intellectual discourse during the conference and for the overall success of it. The conference would not have been successful without the support and active contribution from all participants.

As closing remarks, Let's say thanks to the Lord Almighty God for all His blessing on us.



Prof. Dr. E.S. Margianti, S.E. MM
Rector of Gunadarma University

ACKNOWLEDGMENTS

PART I

We would like to acknowledge these following names for contributing their paper(s) in "II Uzbek-Indonesian Joint International Conference Economics and Management Towards Nation Character Development":

Adi Kuswanto
Ambo Sakka Hadmar
Andrea Widiyanti Maris
Anita Wasutiningsih
Apriansah
Aris Budi Setyawan
Christ Stevanus
Didin Mukodim
Djoko Sudantoko
Donny Erlangga
Dwi Asih Haryanti
E. Susy Suhendra
Emy Haryatmi
Eri Prasetyo Wibowo

Erny Pratiwi
Fenni Agustina
Hawasi
Hendro Firmawan
Herry Sussanto
Ichwan Suyudi
Imam Subaweh
Iman Murtono Soenhadji
Indah Susilowati
Irni Ristika Sari
Julius Nursyamsi
Maulana Ali
Misdiyono
Nur Mettani Aquariza

Pandam Rukmi Wulandari
Renny Nur'ainy
Ruswandi Tahrir
Samuel David Lee
Sri Nawang Sari
Sri Supadmini
Susilowati
Teddy Oswari
Titi Nugraheni
Toto Sugiharto
Vivi Octaviani
Waridin

ACKNOWLEDGMENTS

PART II

Abbas Shermukhamedov
Akmalkhon Mamatkhanov
Akmaral Balakhanova
Alexandr Bedrintsev
Aliaskar Suvankulov
Alsu Enikeeva
Anvar Usmanov
Bakhodir Begalov
Bakhodir Shamsuddinov
Bahtiyor Islamov
Bakhodir Umurzakov
Boymurod Ulashov
Bobur Shermukhamedov
Boris Ogonyants
Botirbek Aglamov
Dariko Balakhanova
Dilfuza Sultanova
Dilorom Almatova
Dilshod Tairov
Dilshoda Maksudova
Dilyafuz Nasirkhodjaeva
Doniyor Islamov
Elena Arkhangelskaya
Elena Gerasikova
Elena Vasilyeva
Elina Enikeeva
Evgeniy Sukhanov

Faina Filina
Farid Sagidullin
Farkhod Muydinov
Feruza Sidikova
Gulaim Urumbaeva
Gulchehra Akhunova
Gulnora Abdurakhmanova
Guzal Abirova
Guzal Adilova
Inna Ribina
Irina Zhukovskaya
Jasur Ne'matov
Kabiljan Khasandzhanov
Kalandar Abdurakhmanov
Kamola Mavlanova
Khamid Abduramanov
Khayot Mukhitdinov
Khusnutdin Muratov
Luiza Alieva
Lyudmila Shibarshova
Mahbuba Aliyeva
Mahfuza Alikulova
Mastura Allayarova
Mehrinisa Mamaeva
Munira Isokhujaeva
Nargiza Shayusupova

Nazar Khakimov
Nodira Zokirova
Nozim Nazarov
Olim Abdurakhmanov
Omonullokhon Akhmedov
Oybek Shermukhamedov
Raimjon Imamov
Rimma Badamova
Rustam Yuldashev
Saidahrar Gulyamov
Sanjar Goyipnazarov
Sanjar Tairov
Sardor Kasymov
Shahlo Abdullaeva
Shakhnoza Rakhmatullaeva
Shavkat Dzhamalov
Shavkat Zaynutdinov
Shukhrat Yuldashev
Tamara Aglamova
Ulugbek Shermukhamedov
Umida Mukhitdinova
Vinera Gabzalilova
Zafar Shakarov
Zahid Fayziev

Thank you for participating in our conference

LIST OF CONTENTS

EDITORIAL BOARD	3
FOREWORD	4
ACKNOWLEDGMENTS	6

PART I 10

Iman Murtono Soenhadji, Ambo Sakka, Hadmar Didin Mukodim. ATTRACTIVENESS OF TOURISM IN INDONESIA: FACTORS AFFECTING TOURIST OVERALL SATISFACTION WITH CULTURAL DESTINATION ATTRIBUTES	10
Imam Subaweh, Aris Budi Setyawan, Sri Supadmini. DEVELOPMENT AND IMPLEMENTATION OF PURE SHARIA FINANCING MODEL (Case Study on MSMEs in the area of Depok, West Java).....	12
Nur Mettani Aquariza, Herry Sussanto ANALYSIS IMPACT OF PRIOR AUDIT OPINION, QUALITY AUDITOR, PROFITABILITY, LIQUIDITY AND SOLVENCY TOWARDS GIVING AUDIT OPINION OF GOING CONCERN IN CONSUMER GOODS INDUSTRY COMPANY WHICH LISTED IN INDONESIA STOCK EXCHANGE.....	15
Imam Subaweh, Susilowati, Didin Mukodim. THE ROLE OF ENTERPRISES WITH PARTICIPATION OF FOREIGN INVESTMENTS IN DEVELOPMENT OF PROFESSIONAL SKILLS OF YOUNG SPECIALISTS	22
Indah Susilowati, Waridin, Djoko Sudantoko. STRATEGY FOR DEVELOPING MICRO-SMALL-MEDIUM-ENTERPRISES OF BATIK INDUSTRY IN PEKALONGAN, CENTRAL JAVA, INDONESIA	25
Apriansah, Toto Sugiharto. THE IMPLEMENTATION OF CORPORATE SOCIAL RESPONSIBILITY (CSR) AND ITS IMPACT ON FIRM'S OPERATING EFFICIENCY, INCOME TAX, AND STOCK PRICE.....	30
Adi Kuswanto, Maulana Ali. THE EFFECT OF THE PERFORMANCE OF MICRO AND SMALL COMPANIES ON THE COLLECTABILITY WITH SPIRITUALITY AS MODERATING VARIABLE	33
Hawasi, Hendro Firmawan. SOME ASPECTS OF AMERICAN VALUES AND DECONSTRUCTION	36
Aris Budi Setyawan, Ichwan Suyudi THE MASTERY OF BASIC COMMUNICATION SKILLS OF FOREIGN LANGUAGES AS ONE OF THE EFFORTS IN IMPROVING MARKET-ACCESS AND PRODUCT-EXPORT PERFORMANCE OF SMALL AND MEDIUM ENTREPRISES IN INDONESIA.....	39
Dwi Asih Haryanti, Erny Pratiwi. INFLUENCE OF CORPORATE SOCIAL RESPONSIBILITY TOWARD EARNING MANAGEMENT IN MANUFACTURING COMPANY	41
Sri Nawang Sari, Misdiyono, Vivi Octaviani, Eri Prasetyo Wibowo. IMPLEMENTING OPEN SOURCE PROGRAM (COMPIERE) FOR ONE OF SMEs	46
Irni Ristika Sari, Toto Sugiharto. EFFECT OF MACROECONOMIC INDICATORS ON FIRM PROFITABILITY AND ITS IMPLICATION ON STOCK PRICE: A CASE STUDY OF CEMENT COMPANIES LISTED ON THE INDONESIA STOCK EXCHANGE	50
Andrea Widiyanti Maris, Renny Nur'Ainy. GOOD CORPORATE GOVERNANCE IMPLEMENTATION: THE EFFECT ON CORPORATE PERFORMANCE BY SIZE AND LEVERAGE AS INTERVENING VARIABLES.....	52
Christ Stevanus, Erny Pratiwi, Dwi Asih Haryanti. EFFECT OF APPLICATION OF GOOD CORPORATE GOVERNANCE (GCG) FINANCIAL PERFORMANCE OF THE COMPANY ARE MEASURED BY ECONOMIC VALUE ADDED (EVA).....	56
Misdiyono, Titi Nugraheni. VOLUME – PRICE MOMENTUM ON STOCK MARKET: CASE STUDY AUTOMOTIVE COMPANIES.....	59
Ruswandi Tahrir. ENVIRONMENT TAX, AN EFFORT TO SAVE THE RIVER	62
Teddy Oswari, Emy Haryatmi, E. Susy Suhendra, Fenni Agustina. PROTOTYPE GEOGRAPHIC INFORMATION SYSTEMS MAPPING OF CROP PRODUCTS FEATURED LOCAL.....	66
Pandam Rukmi Wulandari, Samuel David Lee, Renny Nur'Ainy. DETERMINANTS OF IT GOVERNANCE EFFECTIVENESS.....	69
Anita Wasutiningsih. DIRECT AND INDIRECT INFLUENCE OF EMOTIONAL SPIRITUAL QUOTIENT ON JOB PERFORMANCE IN DIFFICULT SITUATION	73
Teddy Oswari, Julius Nursyamsi, Donny Erlangga. INTERACTIVE LEARNING STUDIES IN BANKING RISK MANAGEMENT	76
Toto Sugiharto. CONTRIBUTION OF RURAL BANKS TO THE INDONESIA'S ECONOMY: A PRELIMINARY INVESTIGATION	79

PART II 83

ECONOMIC SCIENCE, EDUCATION AND FORMATION OF HUMAN CAPITAL	83
Kalandar Abdurakhmanov. HUMAN CAPITAL IN THE INNOVATIVE ECONOMY FORMATION	83
Saidahrar Gulyamov, Irina Zhukovskaya. INFORMATION RESOURCES AND TECHNOLOGIES – A BASIS OF INFORMATION SOCIETY	84
Bakhodir Umurzakov. INFORMATION AS AN ECONOMIC CATEGORY	86

Omonullokhon Akhmedov. THE ROLE OF ENTERPRISES WITH PARTICIPATION OF FOREIGN INVESTMENTS IN DEVELOPMENT OF PROFESSIONAL SKILLS OF YOUNG SPECIALISTS	88
Sanjar Tairov. STRUCTURE OF HUMAN CAPITAL AND ITS ROLE IN THE DEVELOPMENT OF LABOR MARKET OF UZBEKISTAN	89
Akmaral Balakhanova, Guzal Adilova. PRIORITY TRENDS OF NEW METHODS OF MANAGEMENT EDUCATION	91
Khayot Mukhitdinov. INNOVATIVE DEVELOPMENT OF EDUCATION IN THE CONDITIONS OF NATIONAL ECONOMY	93
Gulaim Urumbaeva. PSYCHOLOGICAL AND PEDAGOGICAL EDUCATION AS AN ESSENTIAL COMPONENT OF GENERAL CULTURAL AND GENERAL HUMANITARIAN TRAINING OF ECONOMISTS	94
Abbas Shermukhamedov, Dilfuza Sultanova. INTERMODAL TRANSPORT COMMUNICATIONS IN CENTRAL ASIAN REGION... ..	95
Elena Gerasikova. PROFESSIONAL EDUCATION AND IMPROVEMENT OF QUALIFICATION AS MECHANISMS OF PERFECTING THE QUALITY OF WORK LIFE	98
Mehrinsa Mamaeva, Oybek Shermukhamedov. PERSONNEL RISKS IN BANKS.....	99
Guzal Abirova, Feruza Sidikova. MODERN TENDENCIES IN TEACHING BUSINESS ENGLISH.....	101
Dilshoda Maksudova. LANGUAGE TEACHING EXPERIENCE	103
SOCIAL POLICY AND LABOR MARKET	104
Nodira Zokirova. NEW INSTITUTE OF ORGANIZING SOCIAL PROTECTION OF THE POPULATION OF UZBEKISTAN	104
Vinera Gabzalilova. PRIORITY TRENDS OF LABOR MARKET REGULATION IN UZBEKISTAN	106
Nargiza Shayusupova. REGIONAL ASPECTS OF FORMATION AND REGULATION OF LABOR MARKET	107
Evgeniy Sukhanov. ECONOMIC ASPECTS OF WORK MEASUREMENT AT THE ENTERPRISES OF LIPETSK REGION (RUSSIA)	109
Faina Filina. THE PRINCIPLE OF FORMATION AND ACCOUNTING CONTENT REQUIREMENTS OF COMPANIES FOR THE PURPOSE OF ELABORATION OF SOCIALLY RESPONSIBLE BEHAVIOR AND PROVISION OF SUSTAINABLE DEVELOPMENT IN THE ECONOMY AND BUSINESS	110
Shavkat Zaynutdinov, Farkhod Muydinov. FORMATION OF CORPORATE STRATEGY IN UZBEKISTAN	112
Dariko Balakhanova, Khusnutdin Muratov. DEVELOPMENT OF TENDENCIES OF CREATION OF NEW WORKPLACES	113
Bakhodir Shamsuddinov. DEMOGRAPHIC BASES OF LIFE INSURANCE IN UZBEKISTAN	115
Khamid Abduramanov. PERFECTION OF ORGANIZATIONAL AND ECONOMIC MECHANISM OF POPULATION SOCIAL PROTECTION	117
Gulnora Abdurakhmanova. GENDER EQUALITY ISSUES OF POPULATION EMPLOYMENT PROTECTION	118
Akmalkhon Mamatkhanov. A CHALLENGE OF TIME AND CIRCUMSTANCES: MANAGING THE MIGRATION PROCESSES	120
Zafar Shakarov. DEVELOPMENT AND REGULATION OF MOBILITY OF LABOR IN SYSTEM OF MARKET RELATIONS	122
Shakhnoza Rakhmatullaeva. FEATURES OF DEVELOPMENT OF THE INTERNATIONAL POPULATION MIGRATION	124
Elena Vasilyeva. ROLE OF SMALL BUSINESS IN POPULATION EMPLOYMENT	125
Raimjon Imamov. NECESSITY OF LABOR MARKET REGULATION AND WAYS OF UNEMPLOYMENT REDUCTION IN THE CONDITIONS OF JIZZAKH REGION	126
Boris Ogonyants, Mastura Allayarova. PROBLEMS OF DEVELOPMENT OF POPULATION EMPLOYMENT IN SYRDARYA REGION	128
Luiza Alieva. DEVELOPMENT OF LABOR MARKET OF YOUNG'S IN UZBEKISTAN	130
WORLD ECONOMY AND DEVELOPMENT OF NATIONAL ECONOMIC SYSTEM	131
Shukhrat Yuldashev. INNOVATION - IMPORTANT FACTOR OF THE DEVELOPMENT OF NATIONAL ECONOMY	131
Kabiljan Khasandzhanov. DEKHAN AND FARMING ECONOMIES AS A FORM OF PRIVATE ENTREPRENEURSHIP DEVELOPMENT	133
Gulchehra Akhunova. LOGISTIC CENTRE IN NAVOI: PROSPECTS AND DEVELOPMENT	134
Lyudmila Shibarshova, Kamola Mavlanova. AGRICULTURE SECTOR AND INTERNATIONAL FINANCE ORGANIZATIONS	135
Shavkat Dzhamalov. PECULIARITIES OF INTEGRATION PROCESSES DEVELOPMENT IN THE COUNTRIES OF SOUTH EAST ASIA	136

Umida Mukhitdinova. THE DEVELOPMENT OF MARKET OF FRUIT AND VEGETABLE PRODUCTS OF UZBEKISTAN	138
Farid Sagidullin. IMPORTED FOOD POLICY OF THE REPUBLIC OF UZBEKISTAN	139
Aliaskar Suvankulov. AGRICULTURAL INDUSTRY OF UZBEKISTAN: FEATURES AND KEY DIRECTIONS OF DEVELOPMENT	140
Alexandr Bedrintsev. STATE-PRIVATE PARTNERSHIP - EFFECTIVE MECHANISM OF COMBINATION OF INTERESTS OF THE STATE AND BUSINESS IN MODERN ECONOMY	141
Jasur Ne'matov. ABOUT CORRELATION OF CIVIL AND CRIMINAL LEGISLATION STANDARDS OF THE REPUBLIC OF UZBEKISTAN IN OF PROVISION THE ENTREPRENEURIAL ACTIVITY SAFETY	142
Anvar Usmanov, Olim Abdurakhmanov. DEVELOPMENT OF ANTIMONOPOLY SYSTEM IN UZBEKISTAN	144
Boymurod Ulashov. ANTIMONOPOLY REGULATION OF MARKET STRUCTURES IN DEVELOPED COUNTRIES	145
Nazar Khakimov, Mahfuza Alikulova. ECOLOGICAL ACTIVITY AS AN IMPORTANT FACTOR IN SOCIAL AND ECONOMIC DEVELOPMENT OF THE COUNTRY	146
Elena Arkhangel'skaya, Dilshod Tairov. "UZBEK MODEL" OF DEVELOPMENT BASED ON STEP-BY-STEP REFORM AND STRONG SOCIAL POLICY	147
Bahtiyor Islamov, Doniyor Islamov. UZBEKISTAN-INDONESIA NEW OPPORTUNITIES FOR COOPERATION	149
Rustam Yuldashev. REALIZATION OF PARTNER RELATIONS OF THE STATE AND BUSINESS IN THE REPUBLIC OF UZBEKISTAN	150
Dilyafruz Nasirkhodjaeva. FORMING CLUSTER STRATEGY OF TEXTILE INDUSTRY DEVELOPMENT IN UZBEKISTAN	151
Munira Isokhujayeva. APPROACHES TO IMPROVEMENT OF FUNCTIONING THE ELECTRONIC COMMERCE SYSTEM IN THE REPUBLIC OF UZBEKISTAN	153
Mahbuba Aliyeva. CREATION OF NATIONAL MODERN CONCEPTION IN DEVELOPING MANAGEMENT SYSTEM IN TOURISM	155
Sanjar Goyipnazarov. IMPROVING OCCUPATIONAL SAFETY AND HEALTH IN SMALL BUSINESS ENTERPRISES (SBES)	156
 FINANCIAL SYSTEM AND FINANCIAL AND CREDIT INSTITUTES.....	158
Shahlo Abdullaeva. MAIN PARAMETERS OF BANKING SYSTEM STABILITY OF THE REPUBLIC OF UZBEKISTAN	158
Tamara Aglamova, Botirbek Aglamov. ECONOMIC PARTNERSHIP OF UZBEKISTAN WITH THE COUNTRIES SOUTH-EAST ASIA.....	159
Zahid Fayziev, Nozim Nazarov. THE METHODS OF REDUCING THE RISKS OF INNOVATIVE ACTIVITY OF JOINT VENTURES	161
Dilorom Almatova. IMPROVEMENT OF REGIONAL INVESTMENT CLIMATE OF UZBEKISTAN	162
Rimma Badamova, Ulugbek Shermukhamedov. CALCULATION OF GUARANTEES ON FOREIGN INVESTMENTS	163
Bakhodir Begalov, Bobur Shermukhamedov. DEVELOPMENT OF INFORMATION BANK TECHNOLOGIES IN UZBEKISTAN	164
Alsu Enikeeva, Elina Enikeeva. THE NECESSITY TO REGULATE THE ECONOMY OF THE UNITED STATES DURING CRISES	165
Inna Ribina. POSSIBILITIES OF USAGE OF UNSTABLE LEASING TECHNOLOGIES IN THE MODERN CONDITIONS	167
Sardor Kasymov. THE PROSPECTS OF IPO IN UZBEKISTAN	168

The results of this study only represent the four variables into the mechanisms of IT governance because of constraints in the development of questionnaire indicators.

Conclusions and suggestion

Conclusion

This study sought to examine empirically the individual IT governance mechanisms that influence the overall effectiveness of IT governance within an organisation by examined the influences of the following IT governance mechanisms on the overall effectiveness of IT governance: culture of compliance, involvement of top management in IT, and IT risk management.

In particular, this study found robust empirical evidence that (1) the involvement of top management in IT is positively correlated with the overall effectiveness of IT governance, and (2) the existence of IT risk management support greatly enhances the overall effectiveness of IT governance.

Suggestion

Instead the company used in this sample consistently implement IT Governance. Involvement of top management be improved to get better results in the application of IT Governance. In order to produce a good IT Governance is expected to improve the company's compliance culture.

References

1. Ali, Syaiful., Peter Green, and Michael Parent.2009."The Role of a Culture of Compliance in Information Technology Governance", Proceeding of GRCIS, 2009.
2. Budiatty, Ayuning.2005. "IT Governance Sektor Publik di Indonesia : Konsep dan Kebijakan", Prosiding Konferensi Nasional Teknologi Informasi dan Komunikasi untuk Indonesia, 2006.
3. Campbell, John., Craig McDonald, and Tsholofelo Sethibe.2009."Public and Private Sector IT Governance : Identifying Contextual Differences", Australasian Journal of Information System Volume 16, Number 3, 2009.
4. Gheorge, Mirela.,Dana Boldeanu, Pavel Nastase, and Aleca Ofelia, "IT Governance in Romania : A Case Study", Berkeley Electronic Press, 2009.

DIRECT AND INDIRECT INFLUENCE OF EMOTIONAL SPIRITUAL QUOTIENT ON JOB PERFORMANCE IN DIFFICULT SITUATION

Anita Wasutiningsih

Gunadarma University, Indonesia

Abstract

The aim of this study is to analysis direct influence of emotional spiritual quotient on job performance and also indirect influence through adversity quotient® and motivation. Data were collected from 70 general managers and managers of real estate firms in Indonesia. Partial Least Square was performed to analyze the data. Results of the study indicated that influence of Emotional Spiritual Quotient through Adversity Quotient® and motivation on job performance is greater than direct influence. In other words, someone who has a high Emotional Spiritual Quotient will have the ability to cope and survive in difficult situations and then have the motivation to produce good performance.

Keywords: adversity quotient®, difficult situation, emotional spiritual quotient, motivation, job performance

Background

Although the situation and condition of internal/external company do not support, but each company certainly remain hopeful that their employees are capable of producing optimal performance. Many of factors that enable a person is able to have a good performance, otherwise a lot of factors also that enable someone's achievement is hampered. According to Troena and Zagladi (2004), emotions exhausting (fatigue) due to workload is one of the factors that affect performance. Performing job optimally in normal and conducive circumstances is an ordinary phenomenon. However, it could be regarded as an extraordinary phenomenon when optimal job performance is achieved under difficult circumstances.

Refer to job performance theory, job performance is predicted by at least two predictors which are motivation and ability (Porter and Lawler, 1968 and Locke, Mento and Katcher, 1978). Therefore, in addition to be highly motivated, employees are required to have the ability to overcome various problems and difficulties, especially in difficult circumstances.

To perform optimally in tight competition and various constraints company requires employees have capability to overcome those constraints. Studies aiming at determining factors that affect performance are required to find out the answer to the question regarding factors that can enhance or affect performance. The importance of conducting research to identify determinants of job performance is in accordance with Schein (1994) who argued that understanding human nature is difficult. Whenever we make generalization, there are always found more important phenomenon which weakens the previous theories.

Until 1995, the majority of opinion regarding success factors are still fixed on the intellectual intelligence (i.e., intelligence quotient—IQ). Goleman (1996), based on his study, concluded that psychologists agree that IQ was only supports about 20 percent of the factors that determine success. The remaining 80 percent, meanwhile, comes from other factors including emotional intelligence (i.e., emotional quotient—EQ). EQ describes the ability, capacity, skill to receive, assess, and to manage emotions both own emotion, emotion of others, and emotion of groups.

In line with Goleman, Ashkanasy (2002) reviewed in his article about the role of emotion in an organization. Ashkanasy (2000) stated that managers should be able to understand the emotional impact of the employee's job, able to create a positive and friendly emotional climate because the company is a place where employees come not only to work.

Stoltz (2000) reformulates Goleman's findings through his research results and claims that Adversity Quotient® (AQ®) is the most important factor for success. AQ® according to Stoltz, may explain the ability to perform optimally even under difficult circumstances. While IQ only explains the ability to develop the mind without the development of social skill and emotional intelligence as measured by the EQ, (AQ®) complements factors that cannot be explained by both IQ and EQ, is able to explain why people are able to survive in the face of difficult circumstances.

Similarly, Langvardt (2007), who also proves that employees who are tough (resilience) are more capable of making changes in conjunction with organizational transformation in the face of economic turbulence. Results of these tests can be used as empirical evidence that shows that individuals who are capable of producing high job performance are individuals who have high ability at the level of more difficult achievement.

In addition to IQ, EQ, SQ, and AQ®, Agustian (2001) offered a new concept to complement the previous intelligence measure namely emotional and spiritual quotient (ESQ). He proposed a concept that combines emotional intelligence and spiritual intelligence. According to Agustian, the attributes of *Allah* (Allmighty God), that *Al Matiin* (The Firm One) and *Al Qawiy* (The Strongest One) are sources of AQ®.

Based on theories and results of previous surveys, Agustian (2001) reviewed the importance of intelligence combination between emotion and spiritual. ESQ serves as sources of motivation and strengths to success since those who have high ESQ have the ability to develop their vision and missions. Additionally, ESQ has the capability to form principles of leadership. ESQ is actually a model of a systematic mechanism for managing the three dimensions of people: body, mind, and soul.

The objective of this study was to analysis direct and indirect influence—through Adversity Quotient® and motivation—of Emotional and Spiritual Quotient on job performance.

Research method

According to Sekaran (2000), population in this study is purposively because it has certain characteristics. Fifty six managers and fourteen general managers of real estate companies within Jakarta, Bogor, Depok, Tangerang, and Bekasi (i.e. 70 respondents), which were randomly selected using simple random sampling techniques, were used as subject of the study.

Data regarding variables understudy including Adversity Quotient® (AQ®), Emotional Spiritual Quotient (ESQ), motivation, and job performance were gathered from respondents using valid and reliable questionnaires, which were sent to more than 100 managers and/or general managers of real estate companies within the study areas.

Online questionnaire (AQ Profile®), which personally obtained from PeakLearning website, was used to measure AQ®. Based on total scores of the questionnaire, Stoltz (2000) categorizes AQ® of an individual into three groups. High AQ® is described as climbers, medium AQ® as campers, and low AQ® as quitters. AQ® includes the following indicators: Control, Origin and Ownership, Reach and Endurance which were called CO₂RE.

Control dimension measures one's ability to control circumstances that cause difficulties. Origin and Ownership dimension measures one's ability to identify causes of difficulties and to admit consequences of those difficulties. Reach dimension measures the ability to recognize effect of difficulties on one's life. Individual who have high score in Reach dimension will not allow difficulties affect any aspects of his/her life. Those who have low score in this dimension will lost his/her spirit, happiness, and peacefulness when facing difficulties or failures. Endurance dimension measure the ability of an individual to survive in difficult situation and in dealing with hard circumstances. Those who have low score in this dimension assumed that difficulties and/or causes of these difficulties will last long. The number of questions to measure score of each dimensions are 16 items, so that the whole question totaled 64 items. Answers to these questions consist of five bipolar points.

Agustian (2001) proposed a measure called the *Barometer of Heart Sounds* that imitates characteristics of Almighty God (*Allah*) that is *Asmaul Husna*. Number of questions regarding ESQ is 99. These questions act as Barometer of Sound of Heart based on *Asmaul Husna* which is developed by Agustian (2001). Answers to these questions consist of four scales (i.e., 0, 1, 2, and 3).

Questionnaires, which were used in this study, were developed based on Wijono's which were initially developed by Elias and Yaakub (1999). Questionnaires for measuring motivation indicators were in accordance with McClelland, i.e. need for achievement (n-Ach), need for affiliation (n-Aff), and need for power (n-Pow). Answers to these questions consist of five Likert scales.

Job performance questionnaires were developed for this research based on questionnaires that have been implemented by Kaban (2010) in a number of studies. Job performance indicators consist of personality, work habit, and leadership. In this present study leadership indicators were developed with additional variables such as sportiveness, fairness, patience, responsibility, and resilience. Answers to these questions consist of five Likert scales.

Partial Least Squares (PLS) structural modeling—one of the techniques for estimating path coefficients in Structural Equation Modeling (SEM) having small to medium sample size were performed to analyze data (Chin, 2000). Partial Least Square (PLS) version 2.0 was used to analyze data in accordance with sample size.

Result and discussion

Values of AVE (average variance extracted), Composite Reliability, R Square and Cronbach's

Table 1. Overview of Variables

Variables	AVE ¹	CR ²	R-square	CA ³
Adversity Quotient®	0.763	0.941	0.179	0.920
Emotional Spiritual Quotient	1.000	1.000		1.000
Motivation	0.613	0.981	0.294	0.979
Job Performance	0.537	0.945	0.357	0.938

Note: 1. AVE: Average Variance Extracted

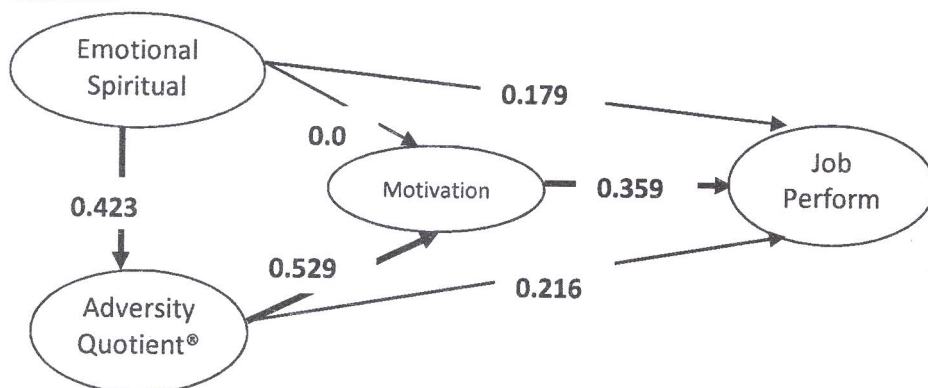
2. CR: Composite Reliability

3. Cronbach's Alpha

Alpha are presented in Table 1. The AVE value above 0.5 indicates that discriminant validity value is adequate. Composite Reliability and Cronbach's Alpha higher than 0.7 indicate that variables under study are reliable.

Coefficients and significances between the variables were obtained through the process of bootstrapping using PLS. Output of the analysis is depicted in Figure 1.

Predictive relevance is tested by formula Stone-Geisser $Q^2 = 1 - (1 - R^2 \text{ Adversity Quotient}^{\circledast}) (1 - R^2 \text{ Motivation}) (1 - R^2 \text{ Job Performance}) = 1 - (1 - 0.179) (1 - 0.294) (1 - 0.357) = 0.622$. Value of $Q^2 > 0$ indicates that model has predictive relevance.



(*) : significant at 0.05; (**) : significant at 0.01

Fig. 1. Direct and indirect influence of emotional spiritual quotient on job performance.

variables that have not been investigated in this study to complement the variability of 64.3%. Based on the R-square value of the findings in this study can be explained that ESQ, AQ[®] and motivation influenced job performance is moderately.

Coefficients of path 0.179 as presented in Figure 1. shows the positive relation between Emotional Spiritual Quotient and job performance. It can be explained that the high of Managers and/or General Managers then it will increase job performance. Refer to Agustian (2001), able to understand the nature of God through best names (*Asmaul Husna*) and apply it in life effect positively on job performance. When obstacles or high competitions occur, and according to theory or human knowledge it is difficult getting a solution, as if little chance of succeeding, but for people who are able to understand the values of ESQ which is the imitation of God will be able to have good performance.

Influence of ESQ on AQ[®] in line with Agustian (2001), that Adversity Quotient[®] a part of the Emotional Spiritual Quotient. Based on coefficients of path 0.423 as presented in Figure 1, can be explained that the high Emotional Spiritual Quotient of Managers and/or General Managers then it will increase scores AQ[®]. Ability to deal with difficult situations described AQ[®] in accordance with the message of *Al Matiin* (The Firm One) and *Al Qawiy* (The Strongest One). When the Intelligence of emotions-Spiritual high it will affect someone's strength/toughness even though the situation is unfavorable. Refer to Agustian (2001), have the ability to understand/imitate the nature of God as measured by a Barometer of Sound of Heart will affect someone in the face of difficult situations as described AQ[®]. If according to Stoltz (2000, 2008) someone who is able to survive and able to pass through difficult situations described as a climbers (Climbers) then according to Agustian (2001), both of the natures are the source of the spiritual power of the climbers.

Based on coefficient value retrieved from analysis was using PLS, direct influence of Emotional Spiritual Quotient on job performance is 0.179.

Indirect influence of Emotional Spiritual Quotient through AQ[®] and motivation is calculated as follow:

- (Emotional Spiritual Quotient → Adversity Quotient[®]) (Adversity Quotient[®] → Job Performance) = $0.423 \times 0.216 = 0.091$

- (Emotional Spiritual Quotient → Adversity Quotient[®]) (Adversity Quotient[®] → Motivation) (Motivation → Job Performance) = $0.423 \times 0.529 \times 0.359 = 0.08$

- (Emotional Spiritual Quotient → Motivation) (Motivation → Job Performance) = $0.030 \times 0.359 = 0.011$

Total of indirect influence value is $0.091 + 0.08 + 0.011 = 0.182$.

Furthermore, based on the above calculation revealed that the influence of ESQ indirectly on job performance through Adversity Quotient[®] and motivation greater than direct influence. Result proves that the existence of the Adversity Quotient[®] and motivation increases the influence of the ESQ on performance. This result explains that a person who has a high ESQ will have the ability to cope and survive in difficult situations (Agustian, 2001) and then have the motivation to produce good performance (Stoltz, 2000).

Conclusion and suggestion

Emotional Spiritual Quotient (ESQ) was found influences job performance through Adversity Quotient[®] and motivation more than direct influence Emotional Spiritual Quotient on job performance. This indicates that ESQ, Adversity Quotient[®], motivation play an important role on job performance, especially in difficult circumstances. Through this study can be concluded that in the difficult situation of someone who has a high ESQ will improve his ability to cope with and survive in the difficult situation and then have a high motivation to perform well.

The research had some limitations that will need to be addressed in future research. Advance research needs to be done to strengthen the evidence of influence of ESQ on AQ®, motivation and performance, due to the use of questionnaires ESQ on previous research has not been done.

References

1. Ashkanasy, N. M. 2002. Studies of Cognition and Emotion in Organisation: Attribution. Affective Events. Emotional Intelligence and Perception of Emotion. Australian Journal of Management. Vol. 27 Special Issue.
2. Chin. W. W. 2000. *Partial Least Squares for Researchers: An Overview and Presentation of Recent Advances Using the PLS Approach*. University of Houston <http://disc-nt.cba.uh.edu/chin/icis2000plstalk.pdf> accessed on February 2012
3. Kaban, K. S. 2010. Performance Appraisal Questionnaire. Personal Communication.
4. Langvardt, G. D. 2007. Resilience And Commitment To Change: A Case Study Of A Nonprofit Organization. <http://www.PeakLearning.com> (accessed on August 23, 2008)

INTERACTIVE LEARNING STUDIES IN BANKING RISK MANAGEMENT

Teddy Oswari
Julius Nursyamsi
Donny Erlangga

Lecturer in Gunadarma University, Indonesia

Abstract

The problems in higher education can be minimized by utilization of information and communication technologies. E-learning concept is learning system based on information and communication networking which is applied in higher education. The aims of study are to find out effectiveness and successive of e-learning application to achieve effectiveness and successive in learning process, and to know the supporting institutions role which support effectiveness and successive in e-learning application.

The advantage of this research is e-learning system of knowledge development process which is not only in class but also in every where, in which the teacher can give the lesson in one way with computer and networking assistance and the student should be more active in learning process. They can communicate in anytime and everywhere by used online access. This system is not only improving student's knowledge but also helping teacher's task in learning process, because in this system, the teacher functions can be taken over by computer program which known as agent

E-electronic Web studies is the strengthening of risk management learning, theory, analysis problems, and research which have been conducted to help effectiveness and successive of virtual teaching continuously by discussion and understanding of study case. This application produces learning content such as teaching materials, text, presentation impressions, videos, forums, glossaries, questionnaires and tasks for students.

Keywords: e-learning, risk management, interactive, learning

Background


The problems in higher education can be minimized by utilization of information and communication technologies, likewise education discrepancy which happened among in village and town, credit exchanges, development and teaching ability and others. E-learning concept is learning system based on information and communication networking which is applied in higher education.

One of the teaching materials that will explore is Risk Management subject. Bank as a company keep balancing of risk and result characteristic should apply risk management in counting large profit which is not separated from high risks such as credit risk, market risk, operational risk, liquidity risk, legal risk, reputation risk, strategic risk and compliance risk. Bank for International Settlements (*Based Committee on Banking Supervision, 2000*) explained credit risk as potential loan bank or counterparty will fail in obligations repayment. Credit risk related to loan and securities in bank's balance sheet are the highest risk which should be faced by commercial bank. Credit risk is the major causing of bank failure in the last year. Credit risk is the most significant risk which should be faced by bank management (Fraser et., al. 2001; Angerer 2004).

Credit risk management is combination of identification activity, measurement, selection of response, controlling and supervision to the credit risk. Modelling of credit risk management activities and ease of running application is needed creation of the simple anticipatory model, but it give reflection of credit risk controlling in each borrower by quality management of banking operations. That model is expected to be implemented by banks in assessing the cotrolling level and understanding the factors that causing high levels of credit risk from each potential borrower.

According to senior researcher Directorate of Banking Research and Regulation of Bank Indonesia (Agusman, 2007), Indonesian bankers tend to avoid risk (risk averse) as a result of the credit distribution is still limited to the sectors of consumption and demand in the real sector, it supposed to be charged provisions lack caution if credit distributed in risk of loss condition. This policy resulted in allegation of inflict a financial loss state and punishment which frighten the bankers in taking of lending decisions. The Bank is actually company that keep risks balancing and results characteristics. In strategic management, alternatives to get profit, high risk in bank management can not be avoided. Success or failure of the banking industry is heavily related to their ability to manage risk. Bank faces several sources of risk, including credit risk, market risk, operational risk, liquidity risk, reputation risk and legal risk.

The Basel Committee on Bank Supervision (Basel Committee, 2000) describes the credit risk as potential loan bank or counterparty will fail in obligations repayment under the agreed terms. Credit risk related to loan and securities in bank's balance sheet and the highest risk should be faced by commercial banks. Credit risk is the major causing of bank failures in the last year. Credit risk is the most significant risk which should be faced by bank management (Fraser et al., 2001).



www.rea.uz
www.gunadarma.ac.id